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VOLUME 39/NUMBER 3
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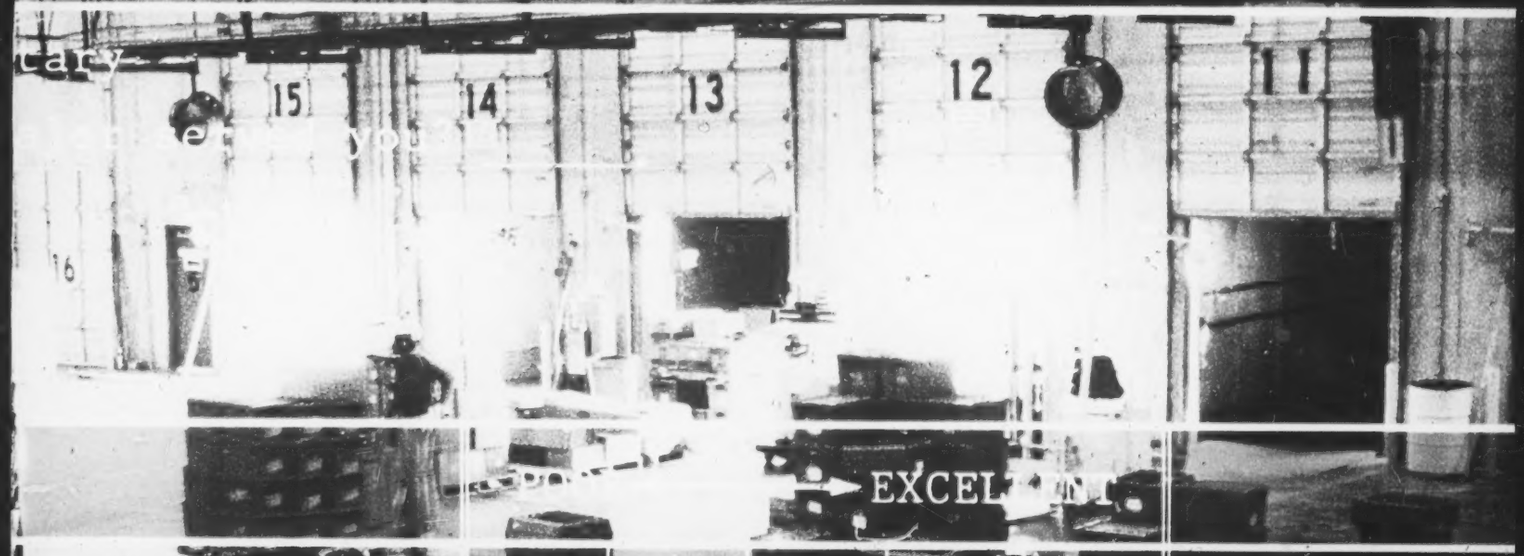

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HOW INDEPENDENT RETAILERS RATE THEIR WHOLESALERS

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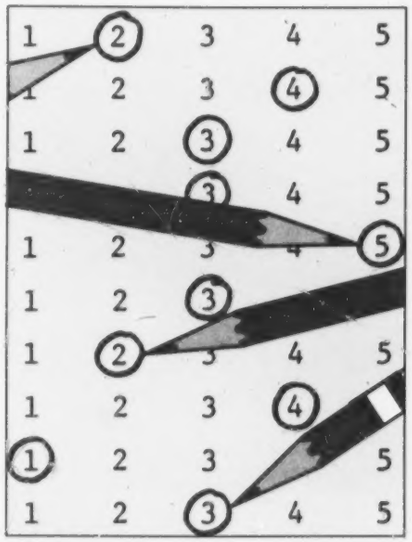
Sosland Publishing Co.
Kansas City, Mo.

SUPERMARKET BUSINESS Magazine (ISSN 0196-5700) is published monthly by Fieldmark Media, Inc., 25 W. 43rd St., New York, N.Y. 10036. Telephone: (212) 354-5169. Circulated free of charge to grocery retailers and wholesalers. U.S. subscriptions $32 per year; Canada, $37 per year. Foreign subscriptions $48. Single copies $3.50 except Consumer Expenditures Study (September issue) $15 per copy. (Discount prices available on multiple purchases.) Copyright © 1984 Fieldmark Media, Inc. All rights reserved. Second class postage paid at New York, N.Y., and additional mailing offices.

BPA ABP American Business Press Inc

SUPERMARKET BUSINESS

VOLUME 39
NUMBER 3
MARCH 1984



PAGE 25
HOW INDEPENDENT RETAILERS RATE THEIR WHOLESALERS

It's getting harder and harder these days, with the competition getting bigger and stronger, for an independent to try to grow in the market. But because he must grow to survive, he has to find ways of how to improve his skills. He relies a great deal on the ability and aggressiveness of a wholesaler. In order to gauge the relationship between the independent and his wholesaler, SB surveyed randomly selected owner/operators. We received a remarkable response rate to this survey —proof that the independent operator is extremely concerned about his future —and his wholesaler. The results of the survey are eyeopening.

PAGE 33
PETE FOY SPEAKS HIS MIND

The president of Certified Grocers of Florida doesn't mince words when it comes to the business: whether it's the future of co-ops, the nature of his marketplace, or company management. In a far-ranging interview with SB Editor Ken Partch, Foy lets readers share some of his most trenchant comments on the supermarket industry.

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GIANT: GIVING SERVICE A NEW, GRAND SCALE

Taking the singular service approach of its upscale Someplace Special, Giant has gone a step further. By incorporating elements of the earlier store into a new, spectacular super store, Giant gives a whole new scope to service.

PAGE 53
NONFOODS BUSINESS: ETHNIC HBA—GAINS GIVE GROWING PAINS

Ethnic health and beauty aids is one of the fastest-growing categories in nonfoods, but for supermarkets it can be a trying experience. This is largely because of the newness of a lot of the companies involved and their inexperience in dealing with the needs of large stores. As retailers cope with the situation, they find that ethnic HBA, despite its service drawbacks, can definitely be a worthwhile, and often necessary addition to the HBA section as a whole.

PAGE 65
GM/HBA PRACTICES IN FOOD RETAILING

A study commissioned by FMI attempts to understand how GM/HBA items can be more effectively used in the supermarket, regardless of format. It also reveals that different retailers have different views on classifying GM or HBA items.

PAGE 86
ON THE WATERFRONT

Pathmark's new, controversial store in lower Manhattan, on the edge of Chinatown, is stirring up the neighborhood. With 42,000-square feet of space, and more checkouts than anyone has dared expect in New York City, it ought to.

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HOW INDEPENDENT RETAILERS RATE THEIR WHOLESALERS

Fundamental changes in grocery retailing are having an enormous impact on independents and their wholesalers. The big are getting bigger, while it's becoming more and more difficult for the small to survive, whether wholesaler or retailer. The giant wholesaler can grow through acquisition and through offering more and more sophisticated services—from technology to market research.

All real growth, for both wholesalers and retailers, depends upon *retail* growth. For the independent, this growth can be hard to come by, yet he must find ways to improve his operational and merchandising skills, to compete successfully against new store formats capable of servicing wider and wider trading areas. He is dependent, therefore, to a greater extent than ever before, on the ability and aggressiveness of his wholesaler.

In order to try to gauge the present tenor of interrelations between Wholesaler and retailer, SUPERMARKET BUSINESS surveyed independent retailers among voluntary groups, retail co-operatives and those who are unaffiliated. The survey was conducted during the first week of February, among 1,500 randomly selected owners/operators. More than 500 questionnaires were returned, for a rate of response of 34 percent—the largest percentage of return for any survey this magazine has ever conducted.

Independents were asked to rate their wholesaler's performance according to 11 criteria, on a scale from poor to excellent. They were then asked whether or not specific services were offered, if they used the services and then to rate the quality of the service used on a scale from poor to excellent. These responses were then calculated into percentage ratings.

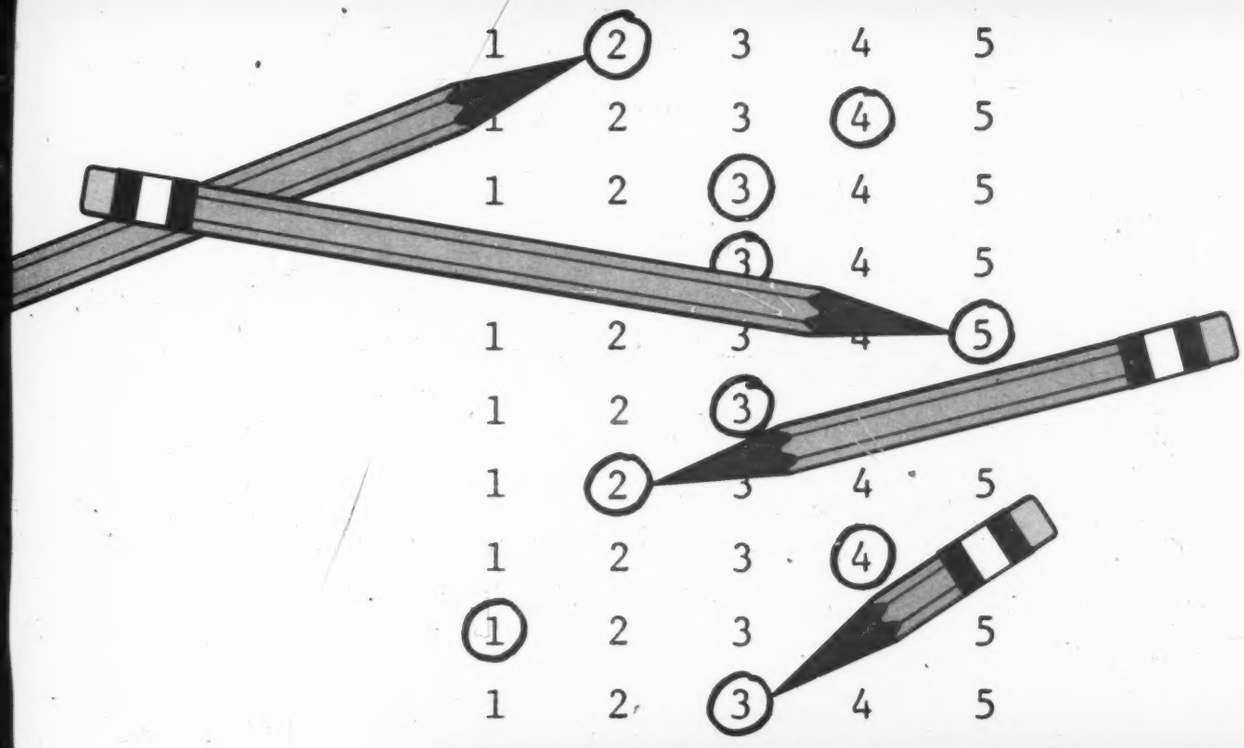
Responses of members of co-operatives and voluntaries are ranked and rated separately for each criterion of performance and service offered. While overall performance ratings for cooperatives and voluntaries were very close, there are significant differences in performance of certain criteria. ■

Independent customers of voluntary warehouses score their overall performance at 73.1, reflecting the fact that most of the respondents accord them one of the top two ratings on a five-point scale. The four factors in which they find least merit in their supplier's actions are the same as those noted by stores serviced by co-operative warehouses: vendor relations, communications from the warehouse, new items and service levels. On warehouse treatment of independents vis-a-vis corporately owned stores (not, of course, asked co-op members), the 72.0 rating reflects a generally high level of approval.

MEMBERS OF VOLUNTARIES

1	Fair minimum-load requirements	84.0
3	Product cost (competitiveness)	74.8
5	Number of deliveries per week	71.1
7	Pass-through of deals and allowances	69.3
9	Communications between warehouse and store	65.9
11	Adequate service levels (low out-of-stock)	63.5

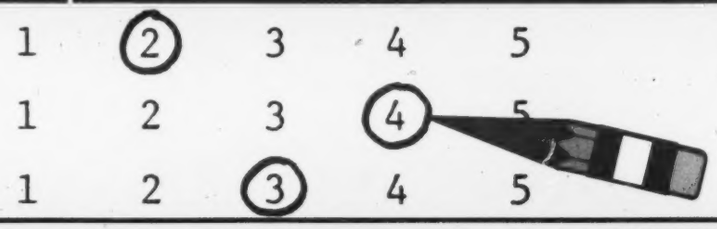
What retailer services are in greatest demand from wholesalers?



Independents give their cooperative warehouse a supportive 74.8 average rating on overall performance. Enthusiasm is even higher for three factors relating to warehouse-to-store deliveries: minimum load standards, frequency and punctuality. Also winning scores higher than that for overall performance are handling of deals and allowances and competitiveness of their pricing structure, two factors that relate directly to the independents' financial well-being.

MEMBERS OF CO-OPS

1	Fair minimum-load requirements	81.5
3	Number of deliveries per week	79.0
5	On-time deliveries	76.5
7	Handling of new items	68.0
9	Communications between warehouse and store	62.8
	OVERALL RATING OF WHOLESALER PERFORMANCE	74.8



people on the staff just to handle electronic services. We've picked up new customers recently just because of our computer services, and it makes no difference what make of scanners they have or want. It's more complicated for us but it's a lot more flexible for the

Even though we're in the big warehouse store business with our Cub program, we also have programs to help the retailer compete against big warehouse stores. While he can't compete head-on against a labor cost of six percent, there are things he can do and

that we can do to help him with. In terms of personal service and image, it has to be emphasized that 90 percent of the business that we do is with conventional supermarkets."

—Glenn R. Jones, vice-president and director of retail development, Lil Jones Corporation, Bluefield, W.Va. (IGA store)

"Retailers are looking for more help in sales projections, sales per man-hour and department performance, in meat and produce, for example. They want to know the shrink factor and whether it is tolerable. They're more interested in productivity, operations and return on

INDEPENDENTS' USE OF SERVICES OFFERED BY COOPERATIVE WHOLESALERS

(% of Independents)

	Available from Warehouse		Independent Uses (where offered)		Performance Rating	
	%	Rank	%	Rank	Rating	Rank
Private label line	100	1	100	1	82.0	1
Rebate policy	100	1	100	1	80.4	2
Frozens	99	3	98	3	76.8	3
Suggested retail price structure	98	4	79	10	72.3	8
Advertising services	97	5	60	18	66.9	4
Meat	97	5	91	5	74.4	5
Equipment purchase	94	7	88	7	75.0	4
Generic line	93	8	94	4	67.7	12
Store layout	92	9	79	10	66.4	15
Group store identifying identity	90	10	56	20	66.0	16
Produce	89	11	90	6	69.6	11
Remodel planning/engineering	88	12	79	10	67.2	13
Site selection	75	13	56	20	64.0	17
Scanning and checkout	72	14	37	26	*	*
Financing	71	15	63	15	70.8	9
Accounting services	69	16	43	23	74.2	6
Merchandising themes/support	68	17	85	8	63.8	18
Bakery programs	64	18	62	16	61.3	20
Training programs	57	19	82	9	61.7	19
Point-of-sale computer link-in	51	20	23	28	*	*
Service deli programs	51	20	61	17	60.3	21
Coupon processing	45	22	57	19	74.0	7
Formalized space allocation program	44	23	76	13	70.2	10
Bulk foods supply	37	24	26	27	*	*
Store inventory management	36	25	42	24	*	*
Energy management	27	26	42	24	*	*
Sunday delivery	25	27	44	22	*	*
Labor relations	20	28	65	14	*	*

Out of 28 services sometimes offered by wholesalers, 21 are available to at least half of the independents supplied by cooperative warehouses. While virtually all independents say they are offered a private line, frozens and meat, the rate falls off slightly for generics (93%) and produce (89%); and more precipitously for bakery programs (64%), service deli programs (51%), and bulk-foods (37%). Where the product line is offered, more than 9 in 10 take private label, frozens, generics, meat and produce, and among these five lines produce and generics are rated lowest among their users. Only about six in 10 subscribe to the service deli and bakery lines when they're available, and their enthusiasm for their "wholesaler's performance" with those lines is below the all-factor average.

INDEPENDENTS' USE OF SERVICES OFFERED BY VOLUNTARY WHOLESALERS

(% of Independents)

	Available from Warehouse		Independent Uses (where offered)		Performance Rating	
	%	Rank	%	Rank	Rating	Rank
	100	1	84	8	70.1	10
	100	1	100	1	78.0	2
	100	1	91	6	70.8	7
	99	4	97	3	71.0	6
	98	5	80	13	68.2	13
	98	5	99	2	78.4	1
	97	7	93	4	66.2	16
	97	7	84	8	69.1	12
	95	9	93	4	64.4	18
	94	10	84	8	63.4	20
	93	11	72	15	75.7	3
	91	12	82	12	72.4	5
	84	13	38	25	64.5	17
	83	14	84	8	62.5	21
	82	15	66	17	70.2	9
	80	16	63	20	60.4	23
	79	17	64	19	56.9	24
	79	17	89	7	66.7	15
	79	17	49	23	64.4	18
	76	20	74	14	75.0	4
	64	21	37	26	*	*
	62	22	72	15	68.1	14
	56	23	65	18	70.5	8
	48	24	49	23	62.5	21
	47	25	56	22	69.6	11
	32	26	61	21	*	*
	23	27	19	27	*	*

What do private label lines and frozens have in common? In the case of independents supplied from voluntary warehouses, both lines are offered by and taken from their warehouses by virtually all stores and win outstanding ratings as to "wholesaler performance." Produce, by comparison, is available from the grocery supplier to only eight out of 10 stores, accepted where offered by nine out of 10, and garners a comparatively lukewarm rating among those using that source. Even worse are service deli and bakery programs, which are in a dead heat for lowest rated wholesaler performance among all the factors. Independents are more generous in their rating of such wholesaler services as accounting, store inventory, coupon processing and site selection

NonFoods BUSINESS

"INSIGHTS FOR TOP MANAGEMENT AND THE GM/HBA SPECIALIST"

Ethnic HBA:

GAINS BRING GROWING PAINS

Because so many of the ethnic HBA manufacturers are small, and still unused to dealing with retailers, supermarket operators are finding it a difficult field. It is a field growing in importance, though and not unrewarding for retailers with patience.

BY SARAH LUM, ASSOCIATE EDITOR

The ethnic health and beauty aids category encompasses a diverse group of products—from analgesics and shampoos imported from Mexico for the Hispanic market to cosmetics and hair care items for blacks. As a category, ethnic HBA has been slowly growing for years. As a section, it is relatively new to the supermarket.

Nevertheless, given the growing number of stores that are developing more sophisticated cosmetics departments, coupled with a greater awareness among retailers of market segmentation, this could be a good time to invest in ethnic HBA. It will take a great deal of hard work and patience from retailers to serve this market effectively, however, because although ethnic HBA has grown in importance over the years, its suppliers are not always attuned to retailers' needs. The distribution system can be tricky.

Most of the ethnic HBA manufacturers—over 100 companies at last count—are used to dealing with smaller stores. But now that large chains have become interested in the category, things have gotten more difficult.

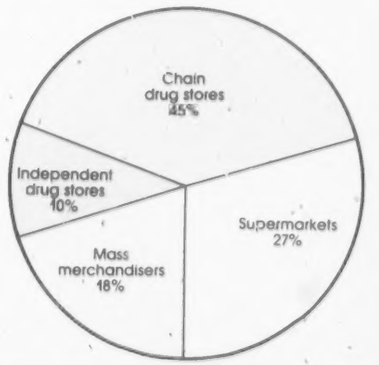
To begin with, though, by far the most established, and largest, ethnic HBA area is for blacks. Hair products are the biggest segment, with cosmetics a distant second. Hispanic and Asian-targeted HBA products are just beginning to make inroads.

So far, in supermarkets, sales of ethnic HBA products have not declined, according to William Stewart, director of marketing for Johnson Products, one of the oldest and largest manufacturers of ethnic hair care products, "but share of market has gone down." He attributes this to grocery retailers' traditionally "slower acceptance of new items."

Elsewhere, though, black hair care products, representing the lion's share of the ethnic HBA category, accounts for some $800 million in sales annually, according to the American Health and Beauty Aids Institute (AHBAI). It is one of the fastest-growing segments in the entire HBA category.

According to Towne-Oller warehouse withdrawal audits representing approximately 28 percent of industry sales, ethnic hair care grew 20.9 percent in 1983 over the previous year, compared with an 11.8 percent

Black Hair Care Sales by Outlet (1982)



Source: National Research Organization
American Health and Beauty Aids Institute

Growing Pains in Ethnic HBA

Continued from page 53

increase for HBA overall.

So ethnic HBA is definitely a worthwhile consideration as a section within a supermarket that has good ethnic traffic, or that is striving to have a more complete HBA section. But because of the relative newness of the category, and the sometimes considerable inexperience of the companies involved in marketing ethnic HBA, a retailer will not always have an easy time of it.

One can buy direct or use a distributor to handle the ethnic HBA. Generally, the larger chains that do a lot of business buy directly (among them Kroger, Pathmark and Winn-Dixie). Other chains that do less volume in ethnic HBA, among them H. E. Butt and Jewel, use service merchandisers.

For these low- to mid-volume buyers, using a distributor means they can obtain the variety of products that otherwise might be prohibitively expensive to get. This is a fast-changing, fast-growing market, says Tyrone Burroughs, director of sales and marketing at Ben Sheftall, an ethnic HBA service merchandiser in Savannah, Ga. In addition, he says, "most grocery retail buyers don't have the time to keep up with the rapid changes that take place in this market."

Another service merchandiser agrees. Diana Warren, marketing manager at Judith Lynn Sales, which specializes in ethnic HBA says "We give the retailer flexibility in being able to respond quickly to new product introductions and changes in marketplace. We redo planograms every three months and see a lot of standby products going by the wayside because of new products coming out."

The ethnic HBA category is like any other fashion-oriented category: highly changeable. So changes happen often too quickly for the retailer even to realize them. This can be even more acute in ethnic HBA, where a retailer might not be all that familiar with the products to begin with. Nevertheless, "while distributors can be used effectively, we think it's critical for the decision-maker at the retail level to be knowledgeable about the category, and not to become overdependent on the distributor, because this can lead to indifference or, in turn, poor management," says Lafayette Jones, executive director of the AHBAI. As a result, as most retailers know, "instead of space allocation by market share, it ends up being based on deep dealing," he says. That is, when promotional deals are actually offered.

Although some chains have switched from buying directly from the manufacturer to using distributors, they aren't actually finding many promotional opportunities in either choice. Jim Kyle, HBA buyer/merchandiser for the Cullum Cos. (Dallas), says that Tom Thumb-Page, its subsidiary, switched to a distributor for most of its ethnic HBA items "because the sales reps (at the manufacturers) don't seem to understand deals, they don't know how to figure out their own deal structures, and I certainly can't afford the time to do it for them. They also don't understand the computer, and our needs for working with this kind of information."

In addition, he says, there's a high turnover of salespeople at manufacturers for these products, which doesn't make for a smooth working relationship.

Kyle, who has well over 20 years' experience in the HBA area, adds that despite these problems, "it's a very important category for us, and accounts for a good part of our business. But we don't promote it as much as we'd like to because we aren't getting the promotional deals we need to do so." Tom Thumb-Page warehouses two ethnic hair care lines and goes to a distributor for others. "There are other lines we would like to carry," he notes, "but until we get the service that other companies provide, I won't do it." There's still a lot to be done in order to bring the service of the ethnic HBA market up to par with other HBA categories.

"There is room for improvement," agrees another ethnic HBA buyer. "One of the problems has been that most of these companies are pretty small and, in the past, have been used to dealing with small retailers who didn't have the same needs as a major chain, a chain that is highly computerized and requires a long lead time in executing promotional deals. Things had been pretty casual, this buyer says, although they are changing and "certain companies do provide more service and are adaptable to our computerized systems."

Lafayette Jones of AHBAI notes that while he has seen "tremendous strides made in the level of professional talent" coming into the ethnic hair care companies, and a "great awareness among them of the importance of speaking the language of the trade, we are still relatively new to the corporate game. There are opportunities for improvement and if any retailers feel that they're not getting the level of service they want, we'd like to hear from them."

In order to encourage better cooperation between retailer and manufacturer, the AHBAI instituted a Retailer of the Year award. Last year, the sole recipient was Revco Corp., a large chain of drug stores. This year, the award was expanded to three categories: drug, mass merchandiser and supermarket. The award in the supermarket class went to Pathmark (Woodbridge, N.J.) in 1984.

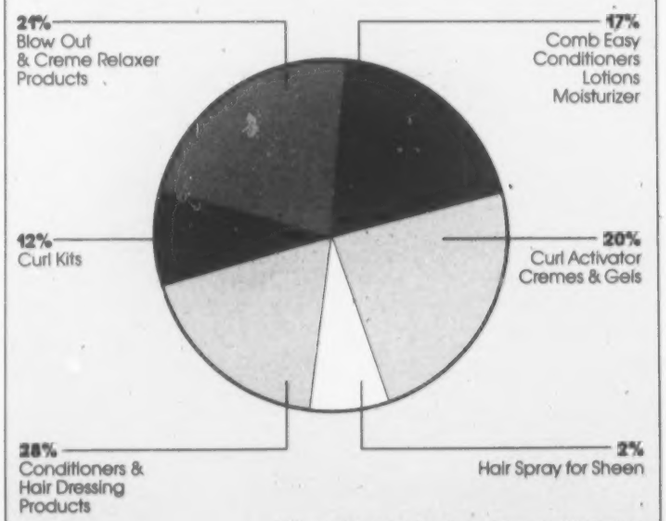
For the retailer considering marketing ethnic HBA, the AHBAI recommends space allocation based on the percentage of ethnic traffic per store. For stores with over 50 percent ethnic traffic, the size of the section should be 24 feet and up. With ethnic traffic 25 to 50 percent of business, there should be at least a 12-foot section. Ten to 20 percent ethnic traffic should get an eight-foot section and less than that, five to 10 percent, should get a four-foot section. Store format, of course, plays a part in determining the section's size.

H. E. Butt (Corpus Christi, Tex.) has ethnic HBA sections that fall within these ranges. Not all of its stores carry the category, but in the 50 to 60

Continued on page 72

Recommended Shelf Allocation as a % of total footage

For ethnic hair care categories based on dollar volume, profit contribution and product movement



Source: American Health and Beauty Aids Institute

ing a double-digit, four-week gain of +12.0 percent, and first aid products (cotton swabs, bandages, gauze, etc.), with a decline of −2.0 percent, marking the second consecutive period in the minus column. Annual unit sales for first aid product were +6.8 percent ahead, however, and yearly volume for first aid antiseptics rose +8.8 percent.

Among hair-care needs categories, four-week unit volume was below the level for the corresponding period a year earlier in four out of seven categories, and barely ahead in one. Losses ranged from a high of −9.5 percent in the high-volume hair conditioning rinse category to a more moderate drop of −1.1 percent for hair coloring. The gain of +28.9 percent for hair setting needs loses significance and impact when the small size of the category is taken into consideration. The four-week gain of +3.7 percent for hair-dressing needs is virtually the same as the +3.6 percent increase for the 52-week period. Four-week unit volume of shampoos fell −1.7 percent, the first loss in this category in many months. This category ended up the year with a +3.4 percent sales gain.

Rinsing

In the oral hygiene product group, a −6.5 percent decline in the high-volume toothpaste and powder category was sufficient to cause a four-week loss in units overall, in spite of gains of +14.7 percent for breath fresheners, +10.9 percent for toothbrushes, +7.3 percent for mouthwash and +2.6 percent for denture adhesives. For the year, toothpaste food store volume showed an increase of 10 million units representing a gain of +2.5 percent. Denture cleaners recorded a four-week unit volume drop of +6.4 percent, but here again, were in the plus column for the year to the tune of +5.0 percent. Sales of toothbrushes have been running consistently upward and ran +7.7 percent ahead on a full year basis.

For the second four-week period in a row, all of the 12 SAMI proprietary remedy categories showed volume gains ranging from +25.6 percent for eye care products to an increase of 1.4 percent for both antacids and external analgesics. Sleeping aids movement rose +25.1 percent and cold tablets moved +18.7 percent ahead of the corresponding period a year ago. A gain of +20.4 percent for proprietary tranquilizers is from a very small volume base. The +3.0 percent improvement for internal analgesics compares with a hike of +11.4 percent in the preceding period, when volume a year ago was adversely affected by the Tylenol poisoning scares. There were only two categories in this group with annual declines—the low-volume tranquilizers category with a +20.1 percent loss rate and nasal sprays, drops, inhalers—down just −.25 percent. The two standout growth examples for the year were eye care products, ahead +18.2 percent and cold tablets, registering a gain of over 8.3 million units, or +10.5 percent.

Each of the five shaving need categories moved upward, with gains ranging from +36.7 percent for shaving creams to a miniscule +.1 percent for razor blades. Aftershave lotions were up +10.2 percent. On an annual basis, one category—razors and blades—showed a loss amounting to −10.2 percent. The highest 52-week gain was +14.0 percent for shaving creams. In this category gels did particularly well.

Finally, in the case of skin care aids, the only loss was −24.1 percent for suntan lotion & oil, signifying few dollars in a winter period. There was a gain of +37.0 percent for lip care products, shared by each of the eight leading brands in this category. Peaks and valleys in lip care products are usually weather-related, and in many parts of the country the Christmas season was lip-chapping weather. The entire product group had a +12.9 percent upsurge for the four weeks, which contrasts with an increase of only 2.0 percent for the 52 weeks ending January 6, 1984. Hand and body creams, lotions grew +9.3 percent in the four weeks, as opposed to a loss of −.9 percent for the year. The only other category with an annual loss was −7.9 percent in the case of suntan lotion-suntan oil. ■

HEALTH & BEAUTY AIDS: SAMI FOUR-WEEK FOOD STORE UNIT TRENDS VS. YEAR AGO

PRODUCT GROUP AND CATEGORY	% CHANGE VS. YEAR AGO 4 WEEKS ENDING 11/11/83	4 WEEKS ENDING 12/9/83	4 WEEKS ENDING 1/6/84
BABY NEEDS	**− 3.4%**	**+ 0.5%**	**+ 5.1%**
Baby Powders	− 6.2	− 8.9	− 2.5
Baby Oils, Creams & Lotions	− 4.5	+ 1.0	+11.8
Infant Clothes	−17.6	− 7.8	−10.1
Nursing Supplies	+ 5.8	+ 8.3	+ 7.3
DEODORANTS	**+ 6.0%**	**+ 7.3%**	**+ 2.9%**
Sprays	− 4.6	− 1.8	− 4.3
Roll-On	+10.8	+10.1	+ 3.0
Stick Deodorants & Pads	+14.1	+14.5	+ 9.5
Creams	− 4.0	− 5.2	− 5.0
Deodorants & Talcum Powders	− 2.7	+ 5.9	+ 1.2
Feminine Hygiene Deodorants	− 3.2	− 0.9	−14.5
Foot Deodorants & Athlete's Foot Remedies	+15.5	+13.9	+ 9.0
Feminine Douches	+ 5.3	+ 7.4	+ 6.0
FIRST AID	**+ 6.3%**	**+ 0.5%**	**+0.4%**
Antiseptics	+ 9.6	+10.9	+12.0
First Aid Products	+ 5.5	− 1.7	− 2.0
HAIR CARE NEEDS	**+ 1.9%**	**+ 2.0%**	**− 2.5%**
Shampoos	+ 2.9	+ 3.5	− 1.7
Hair Sprays	+ 7.4	+ 3.5	+ 0.1
Hair Conditioning Rinses	− 4.6	− 3.5	− 9.5
Hair Setting Needs	+29.9	+31.0	+28.9
Home Permanent Kits	− 6.0	− 4.8	− 2.9
Hair Coloring	− 8.8	− 4.0	− 1.1
Hair Dressing Needs	+ 5.6	+ 6.6	+ 3.7
ORAL HYGIENE	**+ 2.7%**	**+ 3.0%**	**− 1.8%**
Toothpastes & Powders	+ 3.9	+ 1.1	− 6.5
Mouthwashes	− 1.2	+ 8.1	+ 7.3
Breath Fresheners	+ 0.8	+29.6	+14.7
Denture Cleaners	− 0.9	− 1.9	− 6.4
Denture Adhesives	− 0.8	+ 0.7	+ 2.6
Toothbrushes	+ 4.2	+ 7.3	+10.9
PROPRIETARY REMEDIES	**+ 8.7%**	**+ 8.2%**	**+ 4.8%**
Antacids	+ 3.3	+ 3.6	− 1.4
Internal Analgesics	+18.8	+11.4	+ 3.0
External Analgesics	+ 3.9	+ 7.5	+ 1.4
Cold Tablets	+12.7	+25.0	+18.7
Nasal Sprays—Drops—Inhalers	+ 4.3	+ 5.0	+ 3.9
Chest Rubs	− 1.9	+ 9.2	+ 5.3
Cough Remedies	+ 4.3	+ 1.5	− 2.7
Laxatives	+ 4.5	+ 3.4	+ 2.9
Sleeping Aids	+16.3	+18.1	+25.1
Tranquilizers	− 0.0	+ 0.4	+20.4
Vitamins	+12.5	+14.3	+11.7
Eye Care Products	+35.2	+31.3	+25.6
SHAVING NEEDS	**+ 1.0%**	**+ 3.6%**	**+10.0%**
Shaving Creams	+10.0	+11.2	+36.7
Pre-Shave Lotions	+ 6.2	+ 5.6	+ 6.5
After-Shave Lotions	+12.2	+13.5	+10.2
Razor Blades	− 3.7	− 0.5	+ 0.1
Razors & Blades	+ 0.6	+ 8.4	+ 4.3
SKIN CARE AIDS	**+ 6.6%**	**+ 4.5%**	**+12.9%**
Hand & Body Creams & Lotions	+18.8	+ 2.1	+ 9.3
Facial Preparations	− 2.0	− 0.5	+ 4.6
Lip Care Products	−12.4	+10.4	+37.0
Suntan Lotions & Oils	+ 8.8	+94.6	−24.1
Cosmetic & Medicated Skin Aids	+ 6.2	+ 7.3	+ 7.1
TOTAL ALL CATEGORIES	**+ 5.1%**	**+ 4.9%**	**+ 2.7%**

NonFoods BUSINESS

FMI SURVEY:

GM/HBA Practices in Food Retailing

A new study on GM/HBA attempts to understand how these categories can be more effectively used in the supermarket.

Not all nonfoods—or nonfoods managers—are created equal. So in an attempt to understand more specifically the role that GM and HBA play in the supermarket, the Food Marketing Institute (FMI), in cooperation with International Circulation Distributors (ICD), commissioned a study that was conducted by Willard Bishop Consulting Economists, Ltd. (Barrington, Ill.). The study's results were released at the FMI/GMA General Merchandise/HABA Conference that was held in Dallas, Tex., in January.

The study was conducted through a combination of mail survey and telephone interviews. It was based on a total sample of 60 companies that operate approximately 8,230 stores, with annual sales in excess of $61.3 billion, and with equal representation in each of four store formats: conventional supermarkets, super stores, combination stores and warehouse stores.

The intent of the study was not to yield statistics that could be predicted nationally, Bill Bishop says, but to help redefine the meaning of GM/HBA by providing a thorough look at how the category fits into today's supermarket, and the opportunities for increasing GM/HBA's contribution to sales.

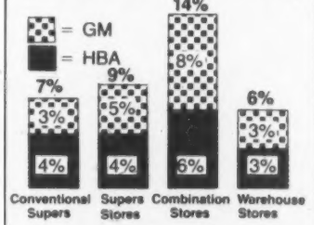
The survey found that the sales of GM/HBA varied depending on the kind of store the merchandise was sold in. GM/HBA typically accounts for about nine percent of store sales (4.7 percent from GM and 4.3 percent from HBA). The difference among store formats was considerable, ranging from six to 14 percent. Not surprisingly, there was a lot of variation in the percentages of shelf space that the different formats devoted to GM/HBA, ranging from 15 to 41 percent.

What these statistics don't show, however (as Bill Bishop pointed out), is that there are significant differences in how GM and HBA are defined. For example:

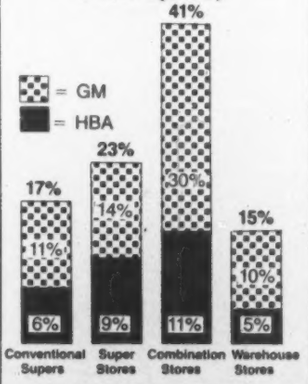
□ Diapers, sanitary nap-

Continued on page 67

Sales Distribution of GM and HBA by Store Format (Percent of Store Sales)



Shelf Space Devoted to GM and HBA by Store Format (Percent of Shelf Space)



It was anticipated that both super stores and combination stores would have strong GM sales, but GM penetration in warehouse stores shows that these operators are beginning to be aggressive in this area.

New from HARTZ

CONSUMER REFUND OFFERS UP TO $2.50

Hartz announces a new **consumer rebate offer** on many of our 2-in-1 family of flea and tick products.

Your customers will receive by mail up to $2.50 in valuable Hartz coupons and cash. These coupons will bring them back to your store and back to the profitable pet supplies department. Consumer details and tear pads appear on **every promotional display.** Contact your local Hartz representative for full details or call Bill Martin, V.P. Sales Administration at (201) 481-4800.

GM/HBA STUDY

Continued from page 65

kins and tampons were found classified under either GM, HBA or groceries;

- cigarettes, candy and charcoal products were either classified as GM or grocery, and
- film and hosiery were classified as both HBA and GM.

"This is an extremely important issue, with serious implications," says John Ruffin, vice president of Pantry Pride Supermarkets (Fort Lauderdale, Fla.), who had participated in the panel at the conference that had responded to the presentation of this study. It was strongly suggested that there be some effort made to standardize the classification of products.

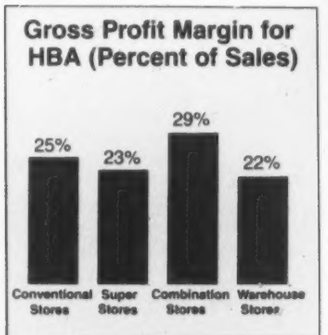
Hand in hand with the differences in the amount of space different types of stores devote to GM/HBA, there are differences in gross profit margins. For HBA, the range was between 22 and 29 percent; for GM, it went from 29 to 37 percent (see chart).

In addition, about half of the conventional supermarket operators and 64 percent of the super store operators reported that margins for HBA have been lowered over the past five years, Bill Bishop says. However, 64 percent of the combination store operators reported higher margins for HBA.

The majority of operators felt that in the future the gross profit margins for HBA would remain the same or decrease, with the exception of warehouse store operators, of whom 40 percent anticipated that gross profit margins would increase.

As for GM profit margins, 56 percent of the combination store operators and 47 percent of warehouse operators expected them to increase. Operators of other formats did not share that view.

GM/HBA executives and top



HBA sales penetration was typically greater in super stores and combination stores.

One of these uses for WD-40 could take you to paradise.
Enter the WD-40 Take Off Sweepstakes.
Simply tell us your favorite use on the entry form below.
Take off with one of these exciting prizes.
$100 Win Instantly $100
Sweepstakes Entry Form

43,000,000 women are taking WD-40® into their own hands.

Women have discovered man's favorite four-letter word. WD-40. Now the WD-40 Take Off Sweepstakes will send even more women looking for it.

Blair inserts carry instant win symbols.

43 million households will receive Blair inserts carrying entry blanks and instant win symbols on March 25 and April 8, 1984. Women will match their symbol at displays in your store.

WD-40 helps profits take off in your supermarket.

Major chains report gross margins of 38%-48% at 15-18 turns per year. National household awareness is 94%.

Put displays where women shop.

Don't be caught in the traffic without your WD-40 Take Off display. Order your stack or pre-pack display today. Contact your WD-40 rep for details.

WD-40 Company, San Diego, CA

GM/HBA STUDY

management still tend to disagree in their perceptions on the profitability of these two categories. GM/HBA people generally rate the two departments higher in their importance to company profitability than does top management.

Since the success of any particular category is affected by how well it is or can be managed, the issue of product management is important in deciding in which areas the GM/HBA manager's energies will be channelled. Among the GM categories considered easy to manage, the three most prominent were: hosiery, electric light bulbs and pet supplies. Among the reasons:

☐ Few product line changes;

☐ ease of handling;

☐ minimal housekeeping;

☐ relatively high sales volume;

☐ consistent sales patterns, and

☐ limited number of items in category.

Among the GM categories considered more difficult to manage, the most often cited were: housewares, seasonal items, hardware, school stationery, gadgets and sewing notions. Reasons given included:

☐ Too many items for display in available space;

☐ excessive inventory investment, and

☐ shelves too difficult to maintain.

In the HBA arena, three categories cited as easy to manage were: oral hygiene, hair care (especially shampoos) and deodorants. Among the reasons:

☐ High sales volume;

☐ limited number of items;

☐ limited new product introductions;

☐ merchandise stocked easily;

☐ consistent sales pattern, and

☐ customers know the product.

Over-the-counter medications, cosmetics, hair shampoo/rinses and conditioners and vitamins were cited as most difficult to manage in the HBA category. Curiously, the hair care category was cited in both the easy-to-manage and difficult-to-manage groups.

Reasons for difficulty of management were:

☐ Continuous new product introductions;

☐ products not well differentiated;

☐ frequent packaging changes; and

☐ need for trained people at store level.

The implication for retailers is that the ease or difficulty of management affects the costs of carrying a category. Evaluations of product categories, based on these considerations, should guide managers on how and where to focus their attentions and energies.

Continued on page 70

Next to Nature's Family, the other facial scrubs haven't much to offer.

INTRODUCING 70% ALOE VERA FACIAL SCRUB AND FREE SKIN FRESHENER COMBO PACK.

Here's another big winning combination from the leader in natural skin and hair care.

When your customers buy our new 70% Aloe Vera Facial Scrub they get an 8 oz. bottle of our Aloe Vera Skin Freshener absolutely free!

What's in it for you is an unlimited opportunity for bigger sales and profits in 1984.

This Nature's Family offer is an exclusive too. For a dynamic introductory allowance contact your local sales rep today. Or call Sam Foley, VP of Sales, at 800-423-3278.

You'll agree it's a great way to clean up in 1984.

Nature's Family

The Leader in Natural Skin and Hair Care for over 15 Years.

GM/HBA STUDY

Continued from page 68

Overall, the categories that at least a third of the respondents said they were planning to give additional space to (in GM) were: seasonal items and novelties; greeting cards & gift wrappings, hosiery, film & film processing, videotapes & movies, automotive supplies, school & writing supplies, electric bulbs, books and party goods. In HBA, categories cited to be expanded were: vitamins & natural vitamins, OTC medications, personal care products, cosmetics, hair care, first aid and eye care items.

Broken down by store format, however, there is some variation among the categories that are slated for expanded shelf space. In general merchandise, among conventional stores, the categories that half or more of the respondents cited were: hosiery, school & writing supplies, electric bulbs, film & film processing, flashlights and batteries. In warehouse stores, half or more of the respondents cited greeting cards & gift wrap, plastic & rubber housewares, pet supplies, party goods and seasonal items. And among combination as well as super stores, video tapes & movies and seasonal items & novelties were slated for expansion by half or more of the respondents.

For health and beauty aids, half or more of the conventional stores reported plans for expanding vitamins & natural vitamins, OTC medications, hair care, personal care and cosmetics. With warehouse stores, hair care was the prominent category slated to be expanded. Among combination stores, vitamins & natural vitamins and OTC medications were targeted for additional space by half or more of the respondents. Super stores also cited vitamins and OTC products, as well as personal care items and cosmetics for planned expansion.

"These examples help to demonstrate that there is considerable opportunity for certain categories to expand in those store formats that have historically not assigned as much space as might be required (to these items)," the study concludes.

Charles O'Dell, general merchandise buyer at Shaw's Supermarkets (East Bridgewater, Mass.) notes that when allocating additional space to GM/HBA, "It's important to look at specific items within the category, and not just the category as a whole." Of the total sample, 67 responded that there would indeed be "increased merchandising analysis" of general merchandise and health and beauty aids in their plans.

Complete copies of the study "A Survey on General Merchandise/HABA Practices in Food Retailing" may be obtained at a nominal charge from the Education Division of FMI. ■

SARAH LUM

In today's highly competitive HBA market, you want products that turn over . . . products with excellent value, repeat sales and good profit margins. You want Klutch.

We've manufactured Klutch with the same proven formula — the same natural ingredients for over 60 years. Klutch works. It works for your customers. It works for you.

For more information about your profit potential with Klutch, just mail in the ticket below.

The reviews are in...

★★★★
"In the denture adhesive category, Klutch consistently performs well. Our sales and profits have definitely been above expectation."
Marc Dworkin,
Senior Vice President of Marketing,
Revco D.S., Inc.

★★★★
"We've stocked Klutch for years and plan to carry it for many more. Klutch sells!"
Steve Raina,
R.Ph., Selected Toiletries/Sundries Buyer,
Hook Drugs, Inc.

★★★★
"During the 10 years we've carried Klutch Denture Adhesive Powder, sales have grown consistently. We freely encourage any organization to consider this fine product for distribution."
Randy Groom,
Director of Advertising/Promotion,
Lawrence Pharmaceuticals.

I. Putnam, Inc., P.O. Box 444, Big Flats, NY 14814 (607) 732-6251

Please send me more information about Klutch Denture Adhesive Powder. The low-cost, high-profit denture adhesive with super hold and fresh taste.

Name _____
Title _____
Company _____
City _____ State _____ ZIP _____
Telephone _____

ETHNIC HBA GROWING PAINS

Continued from page 54
that do, sections devoted to ethnic HBA start at three feet. One store in San Antonio has a section that runs almost 36 feet.

The AHBAI recommends merchandising the section in a "separate, clearly defined, highly visible section—within or adjacent to the regular hair care section." It also recommends a general breakdown in shelf allocation for subcategories, with the greatest amount of space (28 percent) going to conditioners and hair dressing products (see chart).

The kinds of products that are carried, and the space allotted will, naturally, differ in different parts of the country, where hair styles vary. There are pronounced regional hairstyle differences.

"Black hair care products tend to be regional in their usage, but this is something that will not always be apparent in figures supplied by manufacturers," says David Woolf, merchandising manager of Mercury Distributing (Chatsworth, Calif.). The strength of a company's national advertising and promotion matters most says Tyrone Burroughs, of Ben Sheftall.

Although some chains have switched from buying directly from the manufacturer to using distributors, they aren't actually finding many promotional opportunities in either choice. Jim Kyle, HBA buyer/merchandiser for the Cullum Cos. (Dallas), says that Tom Thumb-Page, its subsidiary, switched to a distributor for most of its ethnic HBA items "because the sales reps (at the manufacturers) don't seem to understand deals, they don't know how to figure out their own deal structures, and I certainly can't afford the time to do it for them. They also don't understand the computer, and our needs for working with this kind of information."

In addition, he says, there's a high turnover of salespeople at manufacturers for these products, which doesn't make for a smooth working relationship.

Kyle, who has well over 20 years' experience in the HBA area, adds that despite these problems, "it's a very important category for us, and accounts for a good part of our business. But we don't promote it as much as we'd like to because we aren't getting the promotional deals we need to do so." Tom Thumb-Page warehouses two ethnic hair care lines and goes to a distributor for others. "There are other lines we would like to carry," he notes, "but until we get the service that other companies provide, I won't do it." There's still a lot to be done in order to bring the service of the ethnic HBA market up to par with other HBA categories.

"There is room for improvement," agrees another ethnic HBA buyer. "One of the prob-

Continued on page 74

INTRODUCING RUG PATROL.™

SERGEANT'S® OPENS UP A WHOLE NEW WAY TO MAKE A PROFIT. (BY KILLING FLEAS, AND THEIR EGGS.)

When you add up all the households with pets and carpets, know what you get?

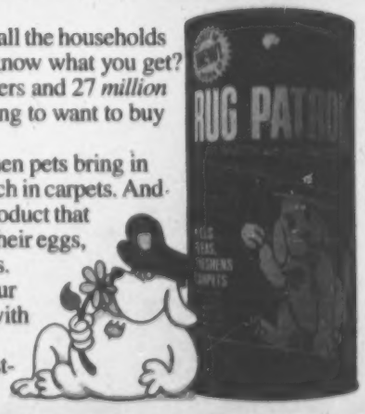
40 *million* dog lovers and 27 *million* cat owners who are going to want to buy new Rug Patrol.

That's because when pets bring in fleas, their eggs can hatch in carpets. And Rug Patrol is the first product that actually kills fleas and their eggs, while it freshens carpets.

We'll be telling your customers all about it with network television commercials from coast-to-coast. Plus we're running a dollar-off coupon campaign in major newspapers.

So all you have to do is put Rug Patrol on the shelf in your insecticide section.

And we'll make sure your customers put it on their carpets.

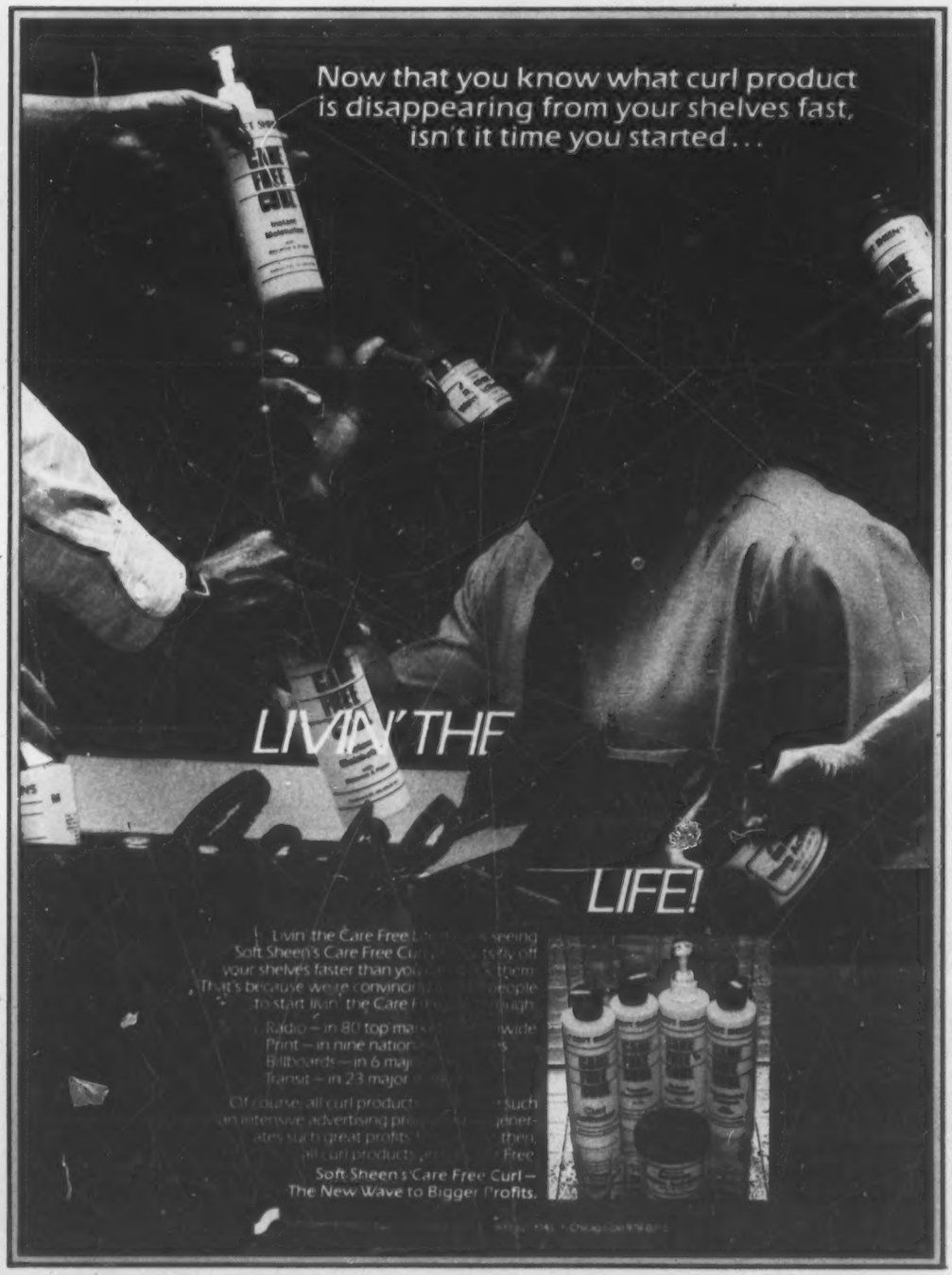


Sergeant's
RUG PATROL™
KILLS FLEAS AND THEIR EGGS.

ETHNIC HBA GROWING PAINS

Continued from page 72

lems has been that most of these companies are pretty small and, in the past, have been used to dealing with small retailers who didn't have the same needs as a major chain, a chain that is highly computerized and requires a long lead time in executing promotional deals. Things had been pretty casual, this buyer says, although they are changing and "certain companies do provide more service and are adaptable to our computerized systems."


Now that you know what curl product is disappearing from your shelves fast, isn't it time you started...
LIFE!
Soft Sheen's Care Free Curl—
The New Wave to Bigger Profits.

Lafayette Jones of AHBAI notes that while he has seen "tremendous strides made in the level of professional talent" coming into the ethnic hair care companies, and a "greater awareness among them of the importance of speaking the language of the trade, we are still relatively new to the corporate game. There are opportunities for improvement and if any retailers feel that they're not getting the service they want, we'd like to hear from them."

While hair care products captures the largest share of black HBA, cosmetics do some business, although by and large they are becoming increasingly incorporated into the overall HBA category. David Woolf of Mercury Distributors reports "we've cut way back on cosmetics for blacks because the major manufacturers now have shade groupings that are acceptable to black women and the quality of the black-made products are not yet as good as these."

The cosmetics category, though, represents just a fraction of specifically ethnic HBA.

While products aimed at blacks garner most of the business in the ethnic HBA categories, there is a growing market for Hispanic products, especially analgesics.

As a whole, the Hispanic market has been receiving a lot of attention from U.S. marketers.

One effect will be that less products will probably be imported from Mexico—items such as antacids, aspirin, shampoos, etc. Jose Granda, president of Grandall Distributors, says that Hispanic shoppers, like all shoppers "check prices and compare quality," although they are typically more brand loyal. Sometimes, he says, "they end up switching from Mexican products to American-made ones." So while these products are not as such aimed at Hispanics, they are *labeled* for them. Grandall Distributors has been importing HBA products from Mexico since 1967. He supplies Safeway and Thriftmart as well as a number of independent supermarkets.

Tampico Sales International (a subsidiary of Judith Lynn Sales) began a similar business in the Chicago area last year. Mike Navarro, president of Tampico, imports from South America as well as Mexico. ■

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C3475-10

In this issue
INSTORE BUSINESS
NATURAL & BULK FOODS
In Selected Editions Only

SUPERMARKET BUSINESS

INSTORE AUTOMATION–

How can we pull it all together?

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SUPERMARKET BUSINESS Magazine (ISSN 0196-5700) is published monthly by Fieldmark Media, Inc., 25 W. 43rd St., New York, N.Y. 10036. Telephone: (212) 354-5169. Circulated free of charge to grocery retailers and wholesalers. U.S. subscriptions $32 per year; Canada, $37 per year. Foreign subscriptions $48. Single copies $3.50 except Consumer Expenditures Study (September issue) $15 per copy. (Discount prices available on multiple purchases.) Copyright © 1984 Fieldmark Media, Inc. All rights reserved. Second class postage paid at New York, N.Y., and additional mailing offices.

BPA ABP American Business Press Inc

SUPERMARKET BUSINESS

VOLUME 39
NUMBER 4
APRIL 1984

PAGE 21
INSTORE AUTOMATION—HOW CAN WE PULL IT ALL TOGETHER?

Systems and software exist for just about every store operation and function. Instore computers can tie these together for immediate, on-the-spot control. Or, they can communicate directly to the host computer for more sophisticated applications. Nowadays, the question isn't *whether* you should get into store computers, but for which functions and what kind of payout. In this issue, SB examines how a few forward-thinking retailers are making the most of automation.

PAGE 30
GM GOES BOLD: STOP & SHOP 'EXPERIMENTS' WITH NONFOODS IN THE SUPER STORE

Using the space that a super store affords as a "laboratory" for nonfoods merchandising ideas, Stop & Shop is bolstering sales of basic GM/HBA items with a bold promotional approach.

ALSO IN THIS ISSUE
INSTORE BUSINESS*

This issue of Instore Business takes a look at how some supermarket operators stand out in their communities with one-of-a-kind approaches: Lloyds, in Middletown, N.Y., has a "semi-service" restaurant, while Houston's Fiesta Mart bakes up 650,000 tortillas a week—and captures a sizable share of its multi-ethnic market.

FACING PAGE 31
SPECIAL EDITORIAL SUPPLEMENT* NATURAL & BULK FOODS

The growth of natural foods over the years has led many people now to accept—and even demand—them at the supermarket. Retailers are exploring the possibilities of how to merchandise these healthful products in the most productive ways.

Likewise, with the popularity of the born-again bulk foods concept, supermarket operators are experimenting with what works best in bulk. At the same time, retailers are faced with sometimes confusing regulatory guidelines over the proper sanitation of these sections and bulk products.

This supplement presents an overview of both of these dynamic and important supermarket developments.

PAGE 35
NONFOODS BUSINESS
WARMING UP TO BAKEWARE

The category of microware and bakeware might strike some operators as a dull, merely seasonal one. But at least one supermarket, Farm Fresh, in Virginia, has gotten the most out of bakeware by strong promotions and store displays.

PAGE 62
CAPTURING KOSHER CUSTOM

Few supermarkets have taken the ethnic food department as far as has the Foodarama ShopRite in Lakewood, N.J. It's created a "Passover Place," to serve its customers at this special time of year. Eventually, this area will give way to a Kosher dairy restaurant on the premises.

*In Selected Editions Only

OTHER FEATURES AND COLUMNS

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TRADESCAN

FDA Set to Enforce EDB Citrus Safety Levels

NEW YORK—Early this month, the FDA will begin enforcing EPA's maximum safety levels for fruits sprayed with the fumigant ethylene dibromide (EDB). These levels, of 250 ppb for the entire fruit and 30 ppb for the edible portion, are comparable to those established for ready-to-eat grain products.

Unlike February's action on grain products, however, EPA did not order an immediate suspension on the use of EDB on fruit. Under the current law, starting this month, fruits exceeding established levels of EDB will not be allowed in interstate commerce. Beginning September 1, the chemical will be prohibited for use on citrus for the U.S. market. Growers will continue to be permitted to spray fruit bound for foreign markets, such as the large Japanese one.

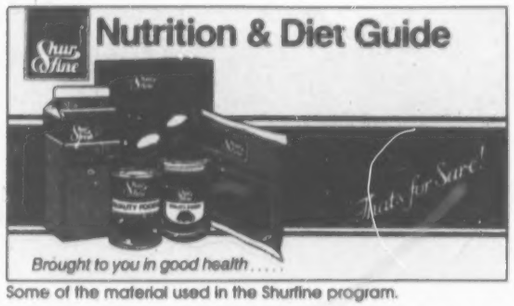
According to EPA Administrator Ruckleshaus, only two percent of domestic fruit is fumigated with EDB, although most that is grown in Mexico is. In addition, citrus fruits account for only one percent of the average American's diet, compared to about 14 percent for grain-based foods. EPA is working with the major citrus-producing nations to determine alternatives to the use of EDB.

Meanwhile, different states are handling the EPA guidelines for grain-based products in different ways. For the majority that by and large accept them, the main task is to test and determine what products—or product batches—exceed the guidelines. Several states have already made their findings available and FDA has established an electronic relay service, whereby results are made known to retailers nationwide.

To answer both retailers' and consumers' questions, some states, such as New Jersey, have set up department of health hotlines.

In Ohio, the state governor, while adopting the EPA guidelines, has decreed that all grain-based products be certified as complying with the established levels. As to determine this is virtually impossible on the store level, this ruling puts the burden of proof on the manufacturer, processor, packager or wholesaler.

And while some states do face guidelines more stringent than those recommended by EPA, none are tougher than those of Massachusetts. At presstime, retailer and manufacturer groups were presenting testimony to the Massachusetts, Public Health Council against the state's EDB standard of one ppb. A spokesperson for the Public Health Council, however, believes that Massachusetts' standards (which will include those adopted for citrus fruits) "will most likely remain stringent." ■



Some of the material used in the Shurfine program.

Nutrition Program Aimed At High School Students

NORTHLAKE, Ill.—At Shurfine-Central Corp., the business of being a supplier doesn't stop with groceries. The company recently announced a new nutritional education program.

While many companies in food-related businesses produce nutritional information, Shurfine is targeting its nutrition education to high school students, via the home economics classroom. The teachers' guide and lesson plans packet features a selection of films, lesson plans, nutrition and diet guides, recipes and various other printed pieces which are also available at a nominal charge. The newsletter, "Classroom Communications" will be mailed monthly during the school year to about 5,500 teachers in Shurfine's distribution area.

Shurfine, a grocery merchandising organization cooperatively owned by shareholder warehouses that are in turn owned by the retailers they serve, established a consumer relations office last year on an experimental basis.

Shurfine decided on this because it perceived the need for more information and classroom material on the part of teachers; it also considered the rise in teen consumerism. Spurred by the rise in working mothers, the number of teens who must help out with the shopping and cooking is also expanding. "We want to be of service to our consumers and to do that, we have to give them information that they can use." A side benefit is, of course, that it helps strengthen Shurfine's image among consumers. ■

Best Food Day Ads Show Major Shift

OMAHA, Neb.—Among the trends in grocery retail advertising that emerged in the fourth quarter Retailer Advertising Trend Report released by Majers Corporation's marketing division based in Stamford, Conn., was one that showed a significant shift in Best Food Day feature advertising, away from Thursday advertising in favor of Sunday advertising, observed over the last three years. (See chart.) While Thursday advertising suffered a four-point decrease from 1981 to 1983, Sunday advertising gained five points during the same period.

Furthermore, the trend report revealed that the average weekly advertising page count among grocery retailers increased 18 percent across all four quarters during 1983, compared with 1982. In the fourth quarter of 1983, the average grocery retailer ran 3.8 pages of advertising per week—this was the highest weekly page count per grocery retailer since Majers (a national market research and consulting firm), began tracking this data.

As for the advertising vehicle used, the report found that use of conventional run-of-press newspaper ads continued to decline in 1983, while supplements, mailer/circulars gained points.

The report also noted a continuation of the trend for nonfood space allocation to increase at the expense of institutional advertising.

The average weekly ad page count among grocery retailers increased 18 percent.

During the December period in 1982, nonfood items occupied 10 percent of the retailer space. In 1983, the nonfood percentage had reached 14. By contrast, the amount of space allocated for general merchandise products by drug retailers experienced a two point drop, going down to 42 percent in 1983. ■

Consumers Redeemed More Coupons in 1983

NORTHBROOK, Ill.—Figures released by A.C. Nielsen show a record number of coupon redemptions by consumers in 1983, reaching a grand total of 5.56 billion. This is a 24 percent increase over the 4.48 billion redeemed in 1982.

However, the number of coupons issued by manufacturers has also risen. From 119.5 billion in 1982, that number increased to 142.9 billion in 1983, up 19.6 percent. One factor contributing to the rise in coupons' popularity is no doubt the double and triple couponing offered by supermarkets.

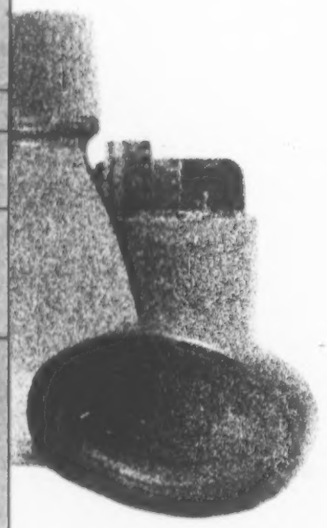
As for the vehicle used to issue coupons, free-standing inserts in newspapers, and direct mail, show gains. Free standing inserts in daily newspapers show a 6.4 percent gain, up from zero in previous years, and a 3.3 percent gain in Sunday papers, up from 33.3 percent in 1982.

Direct mail also gained, going from 3.8 percent in 1982 to 4.3 percent in 1983. All other media used to distribute coupons show slight declines in share: daily newspaper ROP solo at 20 percent in 1983, down from 23.1 percent in 1982; daily newspaper co-op (all) at 12.2 percent, down from 15.2 percent; Sunday paper magazines at 4.9 percent, down from 6.3 percent; magazines at 10 percent, down from 11.4 percent; and in/on package at 5.6 percent, down from 6.9 percent in 1982. ■

NonFoods BUSINESS

HEALTH & BEAUTY AIDS: SAMI FOUR-WEEK FOOD STORE UNIT TRENDS VS. YEAR AGO

PRODUCT GROUP AND CATEGORY	% CHANGE VS. YEAR AGO		
	4 WEEKS ENDING 12/9/83	4 WEEKS ENDING 1/6/84	4 WEEKS ENDING 2/3/84
BABY NEEDS	**+ 0.5%**	**+ 5.1%**	**+ 2.2%**
Baby Powders	− 8.9	− 2.5	− 6.7
Baby Oils, Creams & Lotions	+ 1.0	+11.8	+ 7.3
Infant Clothes	− 7.8	−10.1	−10.1
Nursing Supplies	+ 8.3	+ 7.3	+ 5.5
DEODORANTS	**+ 7.3%**	**+ 2.9%**	**+ 6.9%**
Sprays	− 1.8	− 4.3	+ 2.5
Roll-On	+10.1	+ 3.0	+10.2
Stick Deodorants & Pads	+14.5	+ 9.5	+13.3
Creams	− 5.2	− 5.0	− 4.2
Deodorants & Talcum Powders	+ 5.9	+ 1.2	− 2.2
Feminine Hygiene Deodorants	− 0.9	−14.5	−16.1
Foot Deodorants & Athlete's Foot Remedies	+13.9	+ 9.0	+ 6.6
Feminine Douches	+ 7.4	+ 6.0	+ 1.9
FIRST AID	**+ 0.5%**	**+0.4%**	**+ 2.2%**
Antiseptics	+10.9	+12.0	+ 4.2
First Aid Products	− 1.7	− 2.0	+ 1.8
HAIR CARE NEEDS	**+ 2.0%**	**− 2.6%**	**+ 2.2%**
Shampoos	+ 3.5	− 1.7	+ 4.0
Hair Sprays	+ 3.5	+ 0.1	+ 2.3
Hair Conditioning Rinses	− 3.5	− 9.5	− 3.6
Hair Setting Needs	+31.0	+28.9	+43.6
Home Permanent Kits	− 4.8	− 2.9	+ 1.3
Hair Coloring	− 4.0	− 1.1	− 4.1
Hair Dressing Needs	+ 6.6	+ 3.7	+ 7.2
ORAL HYGIENE	**+ 3.0%**	**− 1.8%**	**− 0.7%**
Toothpastes & Powders	+ 1.1	− 6.5	− 2.0
Mouthwashes	+ 8.1	+ 7.3	+ 2.6
Breath Fresheners	+29.6	+14.7	+11.2
Denture Cleaners	− 1.9	− 6.4	− 3.3
Denture Adhesives	+ 0.7	+ 2.6	+ 1.3
Toothbrushes	+ 7.3	+10.9	+ 1.8
PROPRIETARY REMEDIES	**+ 8.2%**	**+ 4.8%**	**+ 2.0%**
Antacids	+ 3.6	− 1.4	+ 1.3
Internal Analgesics	+11.4	+ 3.0	+ 4.4
External Analgesics	+ 7.5	+ 1.4	+ 8.7
Cold Tablets	+25.0	+18.7	+11.7
Nasal Sprays—Drops—Inhalers	+ 5.0	+ 3.9	− 4.6
Chest Rubs	+ 9.2	+ 5.3	− 6.8
Cough Remedies	+ 1.5	− 2.7	− 5.6
Laxatives	+ 3.4	+ 2.9	+ 0.9
Sleeping Aids	+18.1	+25.1	+19.6
Tranquilizers	+ 0.4	+20.4	+30.9
Vitamins	+14.3	+11.7	+ 8.1
Eye Care Products	+31.3	+25.6	+ 9.8
Appetite Suppressants	*	*	+19.5
SHAVING NEEDS	**+ 3.6%**	**+10.0%**	**+ 4.0%**
Shaving Creams	+11.2	+36.7	+13.2
Pre-Shave Lotions	+ 5.6	+ 6.5	+ 8.5
After-Shave Lotions	+13.5	+10.2	+12.7
Razor Blades	− 0.5	+ 0.1	− 0.4
Razors & Blades	+ 8.4	+ 4.3	+ 8.9
SKIN CARE AIDS	**+ 4.5%**	**+12.9%**	**+12.6%**
Hand & Body Creams & Lotions	+ 2.1	+ 9.3	+18.1
Facial Preparations	− 0.5	+ 4.6	+ 4.4
Lip Care Products	+10.4	+37.0	+15.3
Suntan Lotions & Oils	+94.6	−24.1	+67.6
Cosmetic & Medicated Skin Aids	+ 7.3	+ 7.1	+ 6.8
TOTAL ALL CATEGORIES	**+ 4.9%**	**+ 2.7%**	**+ 2.6%**



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downward trend for toothpastes and powders (−2.0 percent) and denture cleaners (−3.3 percent). In both instances, however, the most recent declines were less pronounced than in the January 6 reporting period. There were, in addition, small year-to-year sales boosts for mouthwash (+2.6 percent), denture adhesives (+1.3 percent) and toothbrushes (+1.8 percent).

During the preceding two reporting periods, all of the proprietary remedy categories had shown increases in food store unit movement. In the period most recently completed, however, there were three negative figures, suggesting a January freer from colds than last year. Chest rubs declined −6.8 percent, cough remedies −5.6 percent and nasal spray-drops-inhalers −4.6 percent. Within the product group, there were double-digit gains for tranquilizers (+30.9 percent), sleeping aids (+19.6 percent), appetite suppressants (+19.5 percent) and cold tablets (+11.7 percent). The gain rates versus the preceding period slowed down in the case of eye care products (+9.8 percent), vitamins (+8.1 percent), laxatives (+0.9 percent) and cold tablets (+11.7 percent). This is the first time there has been a year-to-year sales comparison among appetite suppressants, and the trend is strong for these products.

In a lather

Razor blades had a decline of −0.4 percent, marring a record of forward progress in the shaving needs product group. Shaving creams continue to impress, and sales moved upward +13.2 percent. There were also strong increases for after-shave lotions (+12.7 percent), and pre-shave lotions (+8.5 percent), while razor sets had an upswing of +8.9 percent.

Finally, in the skin care aids group, each of the five product categories moved forward, resulting in an impressive +12.6 percent gain for the entire product group. The +67.6 percent increase for suntan lotions/sun oils was from a very small volume base in the off-season period. Hand and body creams & lotions soared, moving ahead +18.1 percent, and lip care products also had a strong gain of +15.3 percent. Lower rates of increase were found among facial preparations (+4.4 percent) and cosmetic and medicated skin aids (+6.8 percent).

The overall trend of HBA items monitored by SAMI would have been stronger if colds and flu items had been more in demand as the new year unfolded. ■